2014 Kensington Fuel Depot

Response to Comment

Petro and Coeur **7/22/2015**

Comment 1

Suggest changing the word biweekly to weekly.

Response

Thank you for clarifying frequency of delivery for the existing condition. Biweekly was intended to mean twice weekly. However, it is understood that full isotainers are delivered once per week and empty isotainers are off loaded once per week. Biweekly was intended to indicate the number of barge dockings per week, in relation to the frequency of shipping isotainers to and from site per week.

Comment 2

Suggest changing flatbed haul truck to flat-bed trailer that is pulled by a semi-truck.

Response

Thank you for clarifying nomenclature. Suggest changing flatbed haul truck to flat-bed trailer that is pulled by a semi-truck.

Comment 3

Construction design feature #5: limited to construction operations and do not think necessary.

Response

5 is a National BMP for Water Quality Management on National Forest System Lands. See AqEco-2, Operations in Aquatic Systems for clarification.

Comment 4

Construction design feature #10: suggest removal of fuel tank farm from #10 because the proposed tanks meet regulatory requirements for secondary containment.

Response

See Plan of Operations section 4.4 Freshwater Resources. First bullet states that Coeur will "provide secondary containment around all fuel storage areas and transfer points". See Plan of Operations section 4.12.2.2 Secondary Containment, "Each truck loading-in/load-out facility is equipped with a catchment system that drains to an integral containment tank sized to hold the volume of the largest single compartment of the tank truck." The proximity to open water and the sensitive nature of Berners Bay is an additional concern for secondary containment. The design of the fuel depot suggests that the

loading station is part of the facility; therefore, secondary containment is necessary for all of the facility and will have enough volume to hold 110% of the largest volume container.

Comment 5

Construction design feature #12: This requirement unfounded.

Response

Approved engineering plan is a requirement of the SPCC. See 40 CFR 112. Slope stability of saturated ground with additional 2-2.5 million pounds of load (fuel) is concerning and should be investigated as part of the approved engineering plan. A geotechnical investigation would; help determine stability of construction area, and aid in determining proper design of grounding (electrostatic discharge) for the the facility.

Additionally, ADNR mining section stated, "When full, the fuel tanks will hold about 350,000 gallons of fuel. That means the addition of about 2.5 million pounds of weight to the existing gravel pad. It is important that the area is properly prepared to ensure slope stability."

Comment 6

Construction design feature #17: tanks will be less visible than the current storage situation.

Response

See Section 3, 2005 KGP FSEIS, Visual Resources, pages 3-81, 3-82, and 3-83. Slate Creek Cove Marine Terminal has retention VQO. The design elements as specified will be implemented.

Comment 7

Construction design feature #18: See comment 6. No additional screening should be required.

Response

See Section 3, 2005 KGP FSEIS, Visual Resources, pages 3-81, 3-82, and 3-83. Slate Creek Cove Marine Terminal has retention VQO. The design elements as specified will be implemented.

Comment 8

Fuel Depot Operation #3: Request to omit requirement for booms to be deployed during refueling activities.

Response

Boom deployments during fueling activities have been requested due to the sensitivity of Berners Bay and the over water transfer of fuel.

Comment 9

Fuel Depot Operation #6: Request clarification for "all personnel"

Response

Reword #6 to indicate only employees involved with handling fuel/working at fuel depot.

Comment 10

Fuel Depot Operation #9: Request use of "vehicle ramps" to allow vehicles to pass over hoses during fuel transfers.

Response

Not included in the original plan, therefore was not analyzed in the EA. However, the submitted plan states that unauthorized personnel or internal combustion engines, including vehicles, must be kept at a safe distance from a vessel receiving or discharging volatile products (pg. 10.1 and pg. 11, 9 Marine operations, General, Kensington-handbook-final). Driving over hoses while refueling violates the submitted plan.

Alaska Department of Natural Resources 7/15/2015

Comment 1

Please use the term "requires" in place of "will provide" on page 7 of EA under ANDR section and/or use a similar statement in the FONSI or DN.

Response

Thank you.

Comment 2

Tideland lease agreement would most likely require and amendment and associated review and comment period from appropriate resource agencies to determine whether the proposed use would be authorized under the lease and, if approved, what additional conditions would be appropriate.

Response

Noted: ADNR will review authorization for use of tideland.

Alaska Department of Natural Resources 11/25/2014

Comment 1

Secondary Containment: A covered or alternative technique for diverting rainwater from secondary containment should be considered instead of uncovered bbl. drip pan due to the heavy rainfall encountered in Southeast Alaska.

Response

Thank you. See Road-10, Equipment Refueling and Servicing National BMP for Water Quality Management on National Forest System Lands. Provide "suitable measures" to fully contain any spills. POO 4.4 Freshwater Resources; provide secondary containment around all fuel storage and transfer points.

Comment 2

Construction: The addition of 2.5 million pounds of weight on the existing gravel pad, important that the area is properly prepared to ensure slope stability.

Response

Thank you. Slope stability of saturated ground with additional 2.5 million pounds of load is a concern and should be part of the approved engineering plan/design. Approved engineering plan is a requirement of the SPCC. See 40 CFR 112.

Comment 3

Reclamation: Detailed discussion on Reclamation is needed. The next update to the Reclamation Plan (2018) should include a detailed cost estimate.

Response

Thank you. Reclamation Plan will be updated. see EA.

Comment 4

Reclamation: A discussion of interim reclamation and erosion control is needed.

Response

Thank you. See EA. BMP. The table of applicable BMP's (page 7) includes AqEco2 under National BMP's, Alaska Region BMPs, both, which describe the development of an erosion control plan. Construction Design Features, page 7 EA, address erosion control.

Comment 5

Safety: ADNR believes that the addition of the proposed tank fuel farm and fuel transfer procedures, if properly installed and operated, is a safer alternative than the current techniques used to transport fuel at the mine.

Response

Thank you.

SEACC 7/27/2015

Comment 1

Pg. 1.3: Biggest concern is that the EA focuses on impacts from increased fuel capacity and not expansion of subsurface operations and expansion of the TTF.

Response

Subsurface expansion and TTF capacity is not within scope of this EA.

Comment 2

Pg. 1.4: Effect of development of Jualin on TTF capacity?

Response

TTF capacity is not within scope of this EA.

Comment 3

Pg. 1.4: Status of Stage 3 of dam.

Response

Dam construction is not within scope of this EA.

Comment 4

Pg. 1.4: Effect of Jualin zone development on long term dam capacity?

Response

TTF capacity is not within scope of this EA.

Comment 5

Pg. 2.1: Ability of dam to handle 200-year storm containment?

Response

TTF capacity is not within scope of this EA.

Comment 6

Pg. 2.1: Can Coeur maintain containment with increased precipitation (climate change) and increased production?

Response

TTF capacity is not within scope of this EA.

Comment 7

Pg. 2.2: Cumulative effect. Back in 2004…..we recommend Forest Service request Coeur to furnish a proposed modification of the POO.

Response

Analysis of a mining plan is outside the scope of this EA.

Comment 8

Pg. 2.3: Narrow focus of the agency on potentially significant impacts to surface resources, from the development of the Jualin zone.

Response

Subsurface exploration is not within the scope of this EA.

Comment 9

Pg. 2.4: Want all updates to the POO associated with the substantial increase in underground operations to be looked at now, not taken up later in isolation.

Response

Subsurface exploration is not within the scope of this EA.

Comment 10

Pg. 2.5: Will bulk fuel facility remove need to transport fuel from the lay-down yard to the mill bench?

Response

See EA pg. 5. The fuel tank truck will then deliver fuel to the 30,000-gallon day tank located near the Mill.

Comment 11

Pg. 2.6: Why doesn't Coeur use more isotainers?

Response

Not what was proposed.

Comment 12

Pg. 3.1: Discrepancy in weight of 350,000 gal.

Response

Thank you. The 2.0 million pounds stated in the EA was an estimation of total weight because approximately 10% of the total capacity will remain empty to allow for thermal expansion within the system. The exact volume and weight will be included in a certified engineering plan and will be reflected in the updated SPCC plan.

Comment 13

Pg. 3.2: Kensington must update SPCC plan.

Response

Thank you. See EA pg. 7.

Comment 14

Pg. 3.2: What agency is responsible for monitoring compliance with SPCC/BMP plan at Berners Bay?

Response

SPCC/BMP will be approved by the Forest Service in the updated/amendments to the POO, See EA, construction design features #1. The Forest Service enforces compliance with the Approved Plan of Operations.

Comment 15

Pg. 3.2: The company must include a set of site-specific strategies as part of its SPCC Plan.

Response

Thank you. See 40 CFR part 112.7 for general requirements of SPCC.

Comment 16

Pg. 3.2: Explain how the forest Service is evaluating risk in the proposed action of the Botany section on page 10 of the EA.

Response

Methods used to evaluate risk to botanical resources are described in the project's biological evaluation for sensitive plants, rare plant resource report, and invasive plant risk assessment, which are included in the project record.

Comment 17

Pg. 3.4: Fisheries habitat. "The potential does exist for degradation of fisheries habitat by sedimentation and fuel contamination…" is the Forest Service referring to a potential risk, probability, or chance that degradation will occur? If the later, further analysis is needed.

Response

If BMPs are followed and facilities are maintained there is a very small risk that a fuel spill could happen. Nothing is 100%. The likelihood of a spill occurring is very low.

Comment 18

Pg. 3.4: Information should be generated assessing impacts based on the maximum volume released in a catastrophic spill. Develop SPCC, FRP, and C-plan to address worst case spill event. FSEIS table 2-6, pg. 2-50.

Response

Thank you. See 40 CFR part 112.7 for general requirements of SPCC. The Forest Service mandates BMPs and other mitigation measures for projects occurring on Forest Service lands to minimize risk of catastrophic failures.

Comment 19

Pg. 4.1: What level is "potential" become significant? What about the potential of a spill in slate Cove during transfer using a fuel hose? Is this potential "risk" or are they saying there is some "probability" (chance) of it occurring? Goes to the need for further assessment.

Response

If BMPs are followed and facilities are maintained there is a very small risk that a fuel spill could happen. Nothing is 100%. The likelihood of a spill occurring is very low.

Comment 20

Pg. 4.2: Does the Forest Service intend to prohibit fuel transfer at the Kensington Marine Dock when hooligan and herring present? Evaluate how such a requirement may mitigate the risk.

Response

Mitigations are currently in place at the facility. POO, Appendix 4c, Transportation Plan, page 8. Coeur has volunteered not deliver fuel during the Eulachon run to avert issues that could result from fuel barge presence during that period.

Comment 21

Pg. 4.2: hydrology. Please clarify calculations-our calculations show this transfer of 4,550,000 million gal per year.

Response

This was a reference to the capacity of the fuel depot not the total volume fuel used/transferred in a year.

Comment 22

Pg. 4.3: Assessment is confusing…EA at pg. 10 suggests 12-15 isotainers then at EA pg. 4 suggests 20 isotainers biweekly, clarify.

Response

Thank you. Current estimates by Coeur are 12-15 full isotainers transferred weekly. Full Isotainers arrive to site once a week; empty isotainers are removed from site once a week. The barge docks twice a week, once to offload full isotainers to site on the barge route north, and again to on load empty isotainers back onto the barge for shipments south.

Comment 23

Pg. 4.3: Please explain the basis for the agency's assumption that a reduction of sedimentation produced along the road from lesser traffic outweighs the increased risk of a spill in marine and fresh waters under the proposed action.

Response

The decreased sediment is not compared to the increased potential for fuel spills near surface waters. While both of these effects alter water quality, they act independent of each other.

Comment 24

Pg. 4.3: Please explain how increased regulatory oversight and permitting by the US coast guard associated with the proposed action, will necessarily result in low risk and immediate response to a fuel spill or a small spill and immediate response. EA at 11

Response

The following was personal communication with ADEC regarding increased oversight, "Increased regulation often means fewer large spills. The transport and transfer of ISO tanks from barge to land are not regulated by either the feds or the State. "The BMPs for fuel transfer include personnel on-site with training to respond to an incident, hence the resulting 'immediate response'.

Comment 25

Pg. 4.4: Wildlife. It is unclear whether the agency concludes that the proposed action "is not expected to adversely affect populations of other wildlife resources." EA at 12, the agency is concluding that the effects are not likely, of low risk, or small probability. Please clarify.

Response

There is a high probability of low-level effects such as minor disturbances similar to those occurring in the existing condition. There is a very low probability of high-level effects such as mortality associated with a catastrophic petroleum spill. In either scenario, the number of individuals affected is expected to be small compared to the overall populations. So, the expectation is that populations will remain viable.

Comment 26

Pg. 4.5: Cumulative Effects. The agency cumulative effects analysis is unreasonable and violates NEPA. Clearly, if a road is built, it will overlap in time with the fuel depot. If the agency suggesting that the only possible effects will occur during the construction phase? What about cumulative effects associated with marine transfer, e.g., and increased change of a larger spill?

Response

It is not reasonable to state that the NEPA has been violated because if the Juneau Access Road is built it will overlap in time with the fuel depot. There already exists a fueling system at the Kensington Marine Terminal facility. It is composed of an upper and a lower lay down area; the isotainers are currently stored in the lower lay down area. Both of these areas have already been developed for use under previously completed NEPA for the Kensington project. If the Juneau Access Road is to be constructed, the NEPA analysis for that project will have to consider the existing development in the Kensington Mine Marine facility under cumulative effects for that analysis. The footprint for the updated Kensington Fuel Development project has limited new ground disturbance, which has been analyzed for effects on resources in this EA. BMP mitigation standards are in place, design features, and operational requirements have been developed as preventative measures to reduce the potential for degradation of fisheries habitat, sedimentation, and fuel contamination into Berners Bay. The U.S. Coast Guard will enforce Code of Federal Regulations (CFR) 33, Navigation and Navigable Waters, Part 154; [33CFR154] applies to each facility that is capable of transferring oil or hazardous materials, in bulk, to or from a vessel, where the vessel has a total capacity, from a combination of all bulk products carried, of 39.75 cubic meters (250 barrels) or more. The Coast Guard will also monitor compliance with the Oil Pollution Act of 1990, conduct inspections, and ensure compliance with Facility Security Plans pursuant to the

Maritime Transportation Security Act. The Juneau Access Project, if a road is built, will need to consider the cumulative effects of adding that project within the boundaries of the existing footprint of the Kensington mine project area.

Comment 27

Pg. 4.5: Cumulative Effects. The agency suggesting that the only possible effects will occur during the construction phase? What about cumulative effects associated with marine transfer, e.g., and increased change of a larger spill?

Response

The EA on pages 10-11 identifies cumulative effect for hydrology: "There will be a reduction in sedimentation near surface waters because the Proposed Action alternative eliminates the need to transport 12-15 isocontainers weekly from the barge to the laydown area and back. This reduction in traffic would result in a reduction of sedimentation produced along the road." The cumulative effect of potential additional sediment for surface water will be reduced.

The EA (page 11) discusses the need for increased regulation by the U.S. Coast Guard presence during the fueling process over open waters. "The proposed action results in additional permitting and oversight by the US Coast Guard near marine waters, which should counter the increased risk to water quality and if managed according to permits, result in low risk and immediate response to a fuel spill. Along with the increased permitting requirements, there will be mandatory procedures, additional oversight, and an established countermeasures plan, which will insure that if a spill does occur; the back-up procedures and emergency response would result in a small spill and immediate response." An increase in volume will not necessarily result in a larger spill since increased presence and backup plans will be in place.

Cumulative resource concerns were identified; for fisheries, it is recognized that the potential does exist for degradation of fisheries habitat by sedimentation, and fuel contamination from the Proposed Action. Mitigating features (BMPs) are included in the document that will contribute toward minimizing the overall potential impact to fisheries habitat.

For scenery, resources under the Proposed Action alternative the scenic integrity would change with implementation of recommended mitigation measures, and achieve a level of scenic integrity more consistent with the Old Growth Habitat LUD designation. Change because of development would be visible but lessen the effect to the overall scenic integrity. So the overall cumulative effect for scenery would be beneficial form the existing condition.

Resource concerns were carefully considered and analyzed in the EA. With the implementation of the BMPs and the design features, the concerns for a larger spill and impacts to resources have adequately considered and protection measures should relieve concerns over potential spills and the impacts to resources.

Comment 28

Pg. 5.1: Magnuson Stevens Fishery Conservation. Is the agency really trying to measure the risk and potential effects from an unpredictable (unforeseen) event?

Response

No, the Forest Service is not trying to measure the risk from an unforeseen event.

Comment 29

Pg. 5.2: Recreational Fisheries. Does the agency really mean that because it hasn't identified any direct effects, there will be no indirect effects?

Response

Direct, indirect, and cumulative effects were all considered during the evaluation of fisheries effects. No direct, indirect, or cumulative effects were recognized.

Comment 30

Pg. 5.3: "impacts are likely to occur only from unforeseen events". Please explain.

Response

If BMPs are followed and facilities are maintained there is a very small risk that a fuel spill could happen. Nothing is 100%. The likelihood of a large spill occurring is very low.

Comment 31

Pg. 5.4: 2004 ROD at 6. Explain why Alternate D rationale no longer exists.

Discussion

2004 ROD pg. 4

Decision

Based on the analysis and evaluation in the SEIS for the Kensington Gold Project, it is my decision to select Alternative D - (2nd to last bullet)

- Diesel fuel delivery, transport, and storage using 6,500-gallon isotainers. Isotainers will be placed in the laydown area at Slate Creek Cove, near power generation facilities, and at equipment fueling areas. All isotainers will be stored in HDPE-lined and bermed storage areas.

ROD at pg. 4:

Included in the Selected Alternative is my decision to adopt the mitigation and monitoring measures identified in the 2004 SEIS as described in section 2.5 that are within the authority of the Forest Service.

This includes mitigation measures for safety, and the protection of the environment. My decision is also premised upon other permitting agencies adopting the mitigation and monitoring measures identified in the SEIS that are within their authority.

ROD at pg. 16:

Process for Change During Implementation

Proposed changes to the authorized project actions will be subject to the requirements of

National Environmental Policy Act (NEPA), National Forest Management Act (NFMA),

Section 810 of Alaska National Interest Lands Conservation Act (ANILCA), Coastal Zone Management Act (CZMA), 36 CFR 228 (Subpart A), and other laws concerning such changes.

Response

Alternative D – the selected alternative from the 2004 Record of Decision still exists almost in its entirety. This analysis considers changing one element of that decision: to change the storage and transfer of fuel oil. The 2004 ROD at pg.16 identified a "Process for Change During Implementation" recognizing that elements of a decision for a long-term project may not be static.

The Kensington SFEIS (2004, pg. 2-36) identified "Under Alternatives B, C, and D, diesel fuel would be delivered to the site in 6,500-gallon isotainers, off-loaded from the barge, and initially stored in the laydown area near the Slate Creek Cove marine terminal. The isotainers would be moved by truck to the power plant and fueling areas where they would be connected to pipe headers, such that they would function as storage tanks."

There is an opportunity to create a reliable fuel supply that will allow for continuous operation of the mine in an economically viable manner while remaining in compliance with regulatory requirements. The current plan would increase the amount of diesel stored from 130,000 gallons to 350,000 gallons. Storage would utilize the upper lay-down area as identified in the 2004 SFEIS (Figure 2-7). As with the 2004 ROD, secondary containment elements are incorporated into the plan and state of the art overfill prevention, interstitial monitoring and external gauges, current industry standards, will be followed. BMPs have been identified and several are incorporated into the Design Features. Other BMPs, as followed will result in a very low likelihood of spills.

Gary Sonnenberg 7/24/2015

Comment 1

Pg. 1.1: If an EIS was necessary to approve the current POO then an EIS or supplement should be prepared to reevaluate a significant change that necessitates updating the POO.

Response

No significant issues were identified during this NEPA process; thus, an EA is the appropriate level of analysis.

Comment 2

Pg. 1.2: Without evidence to substantiate unreliability and or excessive expense of Alternative 1 or reliability and cost estimates for Alternative 2 there is no basis to evaluate the merits of the two alternatives.

Response

It is not the purpose of this EA to substantiate a business decision by the proponent, only to address modifications to the POO with the EA.

Comment 3

Pg. 1.3: It is irresponsible to consciously exclude portions of a fuel system supporting the entire mine operation.

Response

This analysis was on the Fuel Depot proposal. An existing condition would have been analyzed in previous NEPA.

Comment 4

Pg. 1.4: It is reasonable to speculate that the 30,000 gal day tank is an unapproved, incremental change in the overall mine fuel system of which Alternative 2 is another increment. The mine operation depends upon petroleum fuel then the entire fuel system must be analyzed.

Response

See pervious response. Additionally, the Forest Service has no authority on private property.

Comment 5

Pg. 2.1: "approximately 8 weeks" is misleading.

Response

See EA. Time and duration of activity. "Work" does indicate construction activities to occur; "8 weeks" does indicate a timeframe for that action. The fuel depot will be in operation until mine closure and final reclamation occurs.

Comment 6

Pg. 2.2: The 30,000 gal tank and any other product not currently accounted for need to be added to the aggregate capacity.

Response

See response to comment #3 and #4.

Comment 7

Pg. 2.3: The U.S. Coast Guard does not appear to have been contacted. The USCG should be formally consulted.

Response

The Coast Guard was added to the IDT mailing list and was notified of opportunity to comment along with other cooperating agencies. No comment was received from the USCG.

Comment 8

Pg. 2.4: Are "design features" relevant to the design of Alt. 2 fuel depot facility or that activities involved in constructing the facility?

Response

All of the features refer to the construction of the fuel depot or address items to be included in the design of the facility.

Comment 9

Pg. 2.5: It is highly doubtful that fuel could be legally disposed at the KGP.

Response

Thank you. However, spilled material and spill clean-up material (oil-sorb or hydrocarbon absorbent rags) must be "disposed of" in a safe manner after contamination. POO, BMP plan, Appendix B, states, "releases are disposed of by an approved third party."

Comment 10

Pg. 2.6: Alt. 1 infers no change or impacts. Apparently there was further analysis since on page 10-11 of EA it states "there will be a reduction in sedimentation near surface waters because the proposed action alternative eliminates the need to transport 12-15 isotainers weekly from the barge to the laydown area and back. An EIS should provide a comparison.

Response

Alternative 1 in the Hydrology resource report is the no action alternative, which is the same as the No Action alternative in the EA. Both say there is no change relative to the existing condition for sedimentation or fuels contamination. Alterative 2 in the hydrology resource report is the same as the Proposed Action in the EA and states that there is a higher risk of fuel contamination, a decrease in sedimentation, and a higher degree of regulatory oversight. Table comparisons are in the Hydrology resource report under Alternative 2.

Comment 11

Pg. 3.2: This is an astute observation in that none of the mitigations offered in this EA mitigate impacts if not implemented, monitored and enforced. EIS would demonstrate anticipated outcomes.

Response

Methods used to evaluate risk to botanical resources are described in the project's biological evaluation for sensitive plants, rare plant resource report, and invasive plant risk assessment, which are included in the project record.

Comment 12

Pg. 3.2: Cumulative effect: Though speculation, ……..would use the facility without having to go through NEPA.

Response

See EA. Reclamation Plan will be updated. Removal of the facility at closure will be required as the facility is on National Forest System Lands. If the mine closes, any additional action beyond reclamation would require additional NEPA and further analysis.

Comment 13

Pg. 3.3: A spreadsheet would be helpful to compare the Environmental impact of the no Action and the Proposed Action Alternatives to none for Alternative 1.

Response

Thank you. Alternative 1 is the No Action Alternative. A table will be added to the decision document for comparison of both Alternatives.

Comment 14

Pg. 3.4: With only two alternatives analyzed it should be obvious that a FONSI would be irresponsible and that other alternatives should be proposed and analyzed in an EIS.

Response

Thank you. Only two alternatives are considered for this EA; issues drive alternatives, not opinion. No issues were discovered during the analysis of this proposal. See response to comment 1.

Comment 15

Pg. 3.5: This EA is skewed toward analysis of short term environmental impacts resulting from construction activities. (Requests EIS)

Response

See response to comment #14 and 1.
